

PROPOSED AMENDMENT

Section 201 (a), page 2, line 15:

Strike the clause following the semicolon and insert in lieu thereof:

**"such rules and regulations to become effective after consultation
with the Armed Services Committees of the House and Senate. "**

PROPOSED AMENDMENT

Page 4, line 22, strike paragraph (3) and insert in lieu thereof the following:

"(3) "Child" means an unmarried child, including (i) an adopted child, and (ii) a stepchild or recognized natural child who received more than one-half his support from and lived with the participant in a regular parent-child relationship, under the age of eighteen years, or such unmarried child regardless of age who because of physical or mental disability incurred before age eighteen is incapable of self-support or such unmarried child between eighteen and twenty-one years of age who is a student regularly pursuing a full-time course of study or training in residence in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution. A child whose twenty-first birthday occurs prior to July 1 or after August 31 of any calendar year, and while he is regularly pursuing such a course of study or training, shall be deemed for the purposes of this paragraph and section 221 (e) of this Act to have attained the age of twenty-one on the first day of July following such birthday. A child who is a student shall not be deemed to have ceased to be a student during any interim between school years if the interim does not exceed four months and if he shows to the satisfaction of the Director that he has a

bona fide intention of continuing to pursue a course of study or training in the same or different school during the school semester (or other period into which the school year is divided) immediately following the interim. "

PROPOSED AMENDMENT

Section 221, page 6, line 11:

After the word "death" insert the words "or remarriage"

At line 13:

Strike the number "50" and insert in lieu thereof the number "55"

At line 18:

**Strike the number "2400" and insert in lieu thereof the number
"3600"**

At line 20:

**Strike the number "2400" and insert in lieu thereof the number
"3600"**

PROPOSED AMENDMENT

Page 7, line 14, strike paragraph (e) and substitute in lieu thereof the following:

"(e) The annuity payable to a child under paragraph (c) or (d) of this section shall begin on the day after the participant dies, and such annuity or any right thereto shall terminate on the last day of the month before (1) his attaining age eighteen unless incapable of self-support, (2) his becoming capable of self-support after age eighteen, (3) his marriage, or (4) his death, except that the annuity of a child who is a student as described in section 204 (b) (3) of this Act shall terminate on the last day of the month before (1) his marriage, (2) his death, (3) his ceasing to be such a student, or (4) his attaining age twenty-one.

PROPOSED AMENDMENT

Section 233, page 15, line 16:

Strike the word "five" and insert in lieu thereof the word "ten".

PROPOSED AMENDMENT

Section 234 (b), page 16, line 7:

After the letter "(a)" insert "or (c)"

Section 234 (c) and (d), page 16, line 12:

Strike paragraphs (c) and (d) and insert in lieu thereof the following:

"(c) the Director may in his discretion retire participants and if so retired they shall receive retirement benefits in accordance with the provisions of section 221, provided they have in each case not less than seven years of qualifying and a total of twelve years of service with the Agency. Any individual so retired who does not meet these service requirements shall receive the benefits provided below:

(1) one-sixth of a year's salary at his then current salary rate for each year of service and proportionately for a fraction of a year, but not exceeding a total of two years' salary at his then current salary rate, payable without interest, from the fund, in three equal installments on the 1st day of January following the participant's retirement and on the two anniversaries of this date immediately following: Provided, That in special cases, the Director may in his discretion accelerate or combine the installments; and

(2) a refund of the contributions made to the fund, with interest as provided in section 241 (a), except that in lieu of such refund such participant, if he has at least five years of service credit toward retirement

under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252 (a) (2), may elect to receive retirement benefits on reaching the age of sixty in accordance with the provisions of section 221. "

PROPOSED AMENDMENT

Section 234(e), page 18, line 5:

Strike the letter "(e)" and insert in lieu thereof the letter "(d)".

At line 8:

Strike the letter "(d)" and insert the letter "(c)".

At line 11:

Strike the letter "(d)" and insert the letter "(c)".

PROPOSED AMENDMENT

Section 236, page 19, line 3:

After section 235 (b) insert the following new section:

"Sec. 236. The number of participants retiring on an immediate annuity pursuant to sections 233 and 234 of this Act shall not exceed a total of four hundred prior to June 30, 1969. "

Page 24, line 20, Sec. 252: After Section 252 (e) insert the following new paragraph:

(f). Notwithstanding any other provision of this section any military service (other than military service covered by military leave with pay) performed by a participant after December 1956 shall be excluded in determining the aggregate period of service upon which an annuity payable under this Act to such participant or to his widow or child is to be based, if such participant or widow or child is entitled (or would upon proper application be entitled) at the time of such determination, to monthly old-age or survivors' benefits under Section 402 of Title 42 based on such participant's wages and self-employment income. If in the case of the participant or widow such military service is not excluded under the preceding sentence, but upon attaining age 62, he or she becomes entitled (or would upon proper application be entitled) to such benefits, the aggregate period of service upon which such annuity is based, shall be redetermined, effective as of the first day of the month in which he or she attains such age, so as to exclude such service. "

Page 24, line 21: Strike Section 253 and insert the following:

CREDIT FOR SERVICE WHILE ON MILITARY LEAVE

Sec. 253. (a) Notwithstanding Subsection (f) of Section 252 a participant who leaves his position to enter the military service shall not be considered, for the purposes of this Act, as separated from his Agency position by reason of such military service, unless he shall apply for and receive a refund of contributions under this Act: Provided, That such participant shall not be considered as retaining his Agency position beyond December 31, 1956, or the expiration of five years of such military service, whichever is later.

(b) Contributions shall not be required covering periods of leave of absence from the Agency granted a participant while performing active military or naval service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

PROPOSED AMENDMENT

Page 26, line 5, after the word "Agency" place a comma and insert the following:

"with the consent of such participant, "

PROPOSED AMENDMENT

NEW PART J - COST-OF-LIVING ADJUSTMENT OF ANNUITIES

For inclusion at the end of page 29:

Sec. 291. (a) On the basis of determinations made by the Civil Service Commission pursuant to section 18 of the Civil Service Retirement Act, as amended, pertaining to per centum change in the price index, the following adjustments shall be made:

(1) Effective April 1, 1966, if the change in the price index from 1964 to 1965 shall have equaled a rise of at least three per centum, each annuity payable from the fund which has a commencing date earlier than January 2, 1965, shall be increased by the per centum rise in the price index adjusted to the nearest one-tenth of one per centum.

(2) Effective April 1 of any year other than 1966 after the price index change shall have equaled a rise of at least three per centum, each annuity payable from the fund which has a commencing date earlier than January 2 of the preceding year shall be increased by the per centum rise in the price index adjusted to the nearest one-tenth of one per centum.

(b) Eligibility for an annuity increase under this section shall be governed by the commencing date of each annuity payable from the fund as of the effective date of an increase, except as follows:

(1) Effective from the date of the first increase under this section, an annuity payable from the fund to an annuitant's survivor (other than a child entitled under section 221 (c)), which annuity commenced the day after the annuitant's death, shall be increased as provided in subsection (a) (1) or (a) (2) if the commencing date of annuity to the annuitant was earlier than January 2 of the year preceding the first increase.

(2) Effective from its commencing date, an annuity payable from the fund to an annuitant's survivor (other than a child entitled under section 221 (c)), which annuity commences the day after the annuitant's death and after the effective date of the first increase under this section, shall be increased by the total per centum increase the annuitant was receiving under this section at death.

(3) For purposes of computing an annuity which commences after the effective date of the first increase under this section to a child under section 221 (c), the items \$600, \$720, \$1,800 and \$2,160 appearing in section 221 (c) shall be increased by the total per centum increase allowed and in force under this

section and, in case of a deceased annuitant, the items 40 per centum and 50 per centum appearing in section 221 (c) shall be increased by the total per centum increase allowed and in force under this section to the annuitant at death. Effective from the date of the first increase under this section, the provisions of this paragraph shall apply as if such first increase were in effect with respect to computation of a child's annuity under section 221 (c) which commenced between January 2 of the year preceding the first increase and the effective date of the first increase.

(c) No increase in annuity provided by this section shall be computed on any additional annuity purchased at retirement by voluntary contributions.

(d) The monthly installment of annuity after adjustment under this section shall be fixed at the nearest dollar.